

Joint Pensions and Insurance 1

Amendment No. 1 to HB2178

**Lynn
Signature of Sponsor**

AMEND Senate Bill No. 2847

House Bill No. 2178*

by deleting all language after the enacting clause and substituting the following:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 1, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Covered entity" has the same meaning as defined in § 56-7-3102;

(2) "Group medical benefit contract" means an agreement between an entity licensed under the insurance laws of this state and an insured for the provision of medical services;

(3) "Hospital outpatient infusion center" means a healthcare facility where a patient receives infusion therapy on an outpatient basis;

(4) "Insured" means the party named on a policy or certificate of insurance with a legal right to the benefits provided by the policy;

(5) "Pharmacy benefit contract" means an agreement between an entity licensed under the insurance laws of this state and an insured for the coverage of prescription drugs;

(6) "Pharmacy benefits manager" has the same meaning as defined in § 56-7-3102;

(7) "Prescription drug" has the same meaning as defined in § 63-10-204;

(8) "Specialty drug" means a prescription drug that is:

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(A) Prescribed to a person with a chronic, complex, rare, or life-threatening medical condition;

(B) Injected or infused into a patient; and

(C) Not usually self-administered by a patient.

(b) A covered entity or a pharmacy benefits manager shall:

(1) Permit a person covered under a group medical benefit contract that provides coverage for prescription drugs to obtain a specialty drug from a physician's office, or hospital outpatient infusion center, that provides and administers the specialty drug;

(2) Permit a person covered under a pharmacy benefit contract that provides coverage for prescription drugs to obtain a specialty drug from a physician's office or hospital outpatient infusion center that provides and administers the specialty drug;

(3) Not limit coverage or benefits of a person covered under a group medical benefit contract or a pharmacy benefit contract;

(4) Not require a person covered under a group medical benefit contract that provides coverage for specialty drugs to pay an additional fee, higher copay, higher coinsurance, second copay, second coinsurance, or any other penalty if the person obtains a specialty drug from a physician's office, or a hospital outpatient infusion center, that provides and administers the specialty drug; and

(5) Not require a person covered under a pharmacy benefit contract that provides coverage for specialty drugs to pay an additional fee, higher copay,

higher coinsurance, second copay, second coinsurance, or any other penalty if the person obtains a specialty drug from a physician's office, or a hospital outpatient infusion center, that provides and administers the specialty drug.

SECTION 2. This act shall take effect July 1, 2020, the public welfare requiring it, and applies to contracts entered into, issued, delivered, renewed, or amended on or after that date.